GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:1595
ANSWERED ON:06.03.2006
FOREIGN DIRECT INVESTMENT IN AGRI -BUSINESS
Acharia Shri Basudeb

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government has recommended for Foreign Direct Investment (FDI) up to 51 per cent in Agri-Business;

(b) if so, the details thereof;

(c) whether any decision has been taken in this regard; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a) to (d): As per extant policy, Foreign Direct investment (FDI) up to 100% is allowed under the automatic route in food processing sector. FDI is not allowed in Agricultural Plantations except in Tea Plantations where FDI up to 100% is allowed with prior Government approval and subject to conditions specified in Press Note 6 (2002 series). FDI is allowed up to 100% on the automatic route for floriculture, horticulture, development of seeds, animal husbandry, Pisiculture, aquaculture, cultivation of vegetable, mushrooms under controlled conditions and services related to agro and allied sectors.